EXECUTIVE DIRECTOR'S REPORT TO THE COLORADO RIVER BOARD OF CALIFORNIA

December 12, 2018

ADMINISTRATION

Minutes of the November 14, 2018 Meeting of the Colorado River Board

A draft of the minutes from the November 14, 2018 meeting of the Colorado River Board of California (Board) was held in Ontario, California, has been prepared and is included in the Board folder for review and proposed adoption during the December Board meeting.

2019 Board Meeting Schedule—Proposed Change in Location for the April 2019 Meeting

Board staff are considering moving the scheduled April Board meeting from Ontario, California to Blythe, California, to allow members of the Board and agencies to attend the ground-breaking ceremony for the Dennis Underwood Conservation Area, the newest conservation area of the Lower Colorado River Multi-Species Conservation Program (LCR MSCP). Board staff are proposing to hold the Board meeting on the afternoon of Wednesday, April 10th at the headquarters office of the Palo Verde Irrigation District. The ground-breaking ceremony for the LCR MSCP's new Dennis Underwood Conservation Area would tentatively be held on April 11th and followed by a site visit, and lunch. Currently, Reclamation's LCR MSCP staff are hoping to have Commissioner Burman available to participate in the event. Board staff will be working with the California agencies to ensure that dignitaries and special guests are also invited. Additional information will be provided as it becomes available.

COLORADO RIVER BASIN WATER REPORT

As of December 10th, the water level at Lake Powell was 3,585.19feet with 10.39 million-acre feet (MAF) of storage, or 43% of capacity. The water level at Lake Mead was 1,078.95 feet with 9.92 MAF of storage, or 38% of capacity. As of December 9th, the total system storage was 27.25 MAF, or 46% of capacity, which is about 5.0 MAF less than the system storage at this same time last year.

As of December 2nd, the Upper Colorado River basin reservoirs, excluding Lake Powell, ranged from 62% of capacity at Fontenelle Reservoir in Wyoming; 88% of capacity at Flaming Gorge Reservoir in Wyoming and Utah; 89% of capacity at Morrow Point and 30% of capacity at Blue Mesa Reservoirs in Colorado; and 52% of capacity at Navajo Reservoir in New Mexico.

As of December 10th, the observed inflow for Water Year 2018 is 4.61 MAF (43% of normal). The observed April to July 2018 runoff into Lake Powell was 2.6 MAF (36% of normal). The November 2018 observed Lake Powell inflow was 0.25 MAF (53% of normal), and the December Lake Powell inflow forecast is 0.24 MAF (66% of normal). The WY-2019 precipitation to date is 110% of normal. The current basin snowpack is 104% of normal.

Status of the 2019 Annual Operating Plan

A final draft of the proposed 2019 Annual Operating Plan (AOP) for Colorado River Reservoirs was recently posted to Reclamation's webpage. This proposed AOP has been the subject of three stakeholder meetings over the course of the summer and fall and is currently undergoing final review and expected approval by the Secretary of the Department of the Interior. Generally, the 2019 AOP determinations include the following:

- Based upon the 2007 Interim Guidelines, the Upper Elevation Balancing Tier will govern Lake Powell operations for water year 2019; with the opportunity for an April adjustment, the projected releases from Lake Powell will range from 8.23 MAF to 9.0 MAF, or greater;
- Based upon the 2007 Interim Guidelines, the ICS Surplus Condition will govern releases for use in Arizona, California and Nevada; and water deliveries in the Lower Basin during calendar year 2019 will be limited to 7.5 MAF, plus or minus any credits for ICS; and
- A volume of 1.5 MAF will be available to be scheduled for delivery to Mexico during calendar year 2019; and in accordance with Minute No. 323, Mexico may create water or take delivery of water from Mexico's Water Reserve pursuant Section V of Minute No. 323.

A copy of the final draft of the 2019 AOP can be accessed at Reclamation's Lower Colorado Region webpage at https://www.usbr.gov/lc/region/g4000/AOP2019/AOP19_draft.pdf.

COLORADO RIVER BASIN PROGRAM REPORTS

Status of the Lower Basin Drought Contingency Planning Process

Agencies in the Lower Basin states continue to diligently work towards seeking formal agency approvals associated with the inter- and intrastate agreements necessary for the implementation of the Lower Basin Drought Contingency Plan (LB DCP). Toward this end, over the past few weeks agencies in California have held numerous board/agency workshops and briefings related to the LB DCP and are in various stages of the approval process related to individual inter-agency DCP contribution agreements, an amended California ICS Agreement, as well as seeking approval for new ICS exhibits to the 2007 Forbearance Agreement. It is generally expected that seeking agency approvals for the DCP package should be completed by mid- to late December or early-January 2019.

Status of Minute No. 323 Implementation

A meeting of the Minute No. 323 Minute Oversight Group has been tentatively scheduled for late in the day on December 13th in Las Vegas, Nevada, in conjunction with the annual conference of the Colorado River Water Users Association. Meeting topics could include (1) status of Minute No. 323 implementation; (2) status of LB DCP activities; and (3) personnel changes to U.S. and Mexican agencies.

Status of the Colorado River Salinity Control Program

The next meeting of the Salinity Control Forum's Work Group has been scheduled for February 20-22, 2019, and will be held in Phoenix, Arizona at the headquarters office of the Central Arizona Water Conservation District. The Forum and Advisory Council is planning to hold the Forum's 100th meeting during the first week of June 2019 and the meeting will be held on the grounds of the Colorado State Capitol in Denver, Colorado, the site of the Forum's first meeting in November 1973.

Mr. Don Barnett, the Salinity Control Forum's Executive Director, is planning to attend the Board's December 12th meeting in Las Vegas, Nevada, and will provide an overview of the progress made on implementing the salinity control program in 2018 and what activities are planned for 2019.

GENERAL ANNOUNCEMENTS AND UDATES

Washington, D.C. Updates

Appropriations Update

Congress is close to reaching agreement on two of the three remaining Fiscal Year 2019 appropriations titles: Department of Interior and the EPA; and Financial Services and General Government. The remaining appropriations title, Department of Homeland Security, is still hung up amid policy debate on border wall/border security funding. Congress recently passed a Continuing Resolution to fund all three appropriations titles until December 21st.

The immediate consequence of prolonging funding action is that Congress is expected to remain in session until these funding bills are enacted. Concurrently, this gives Congress ample opportunity to consider the finalization of the Farm Bill, a 'Lands Package,' and potentially extend 2016 Water Infrastructure Improvements of the Nation (WIIN) Act authorizations.

Committee and other Government Activities

Status of the Farm Bill Reauthorization

The compromise 2018 Farm Bill is expected to be released in early December. According to leaked sources, the 2018 bill will largely be a continuation of the 2014 bill. One expected change is a bipartisan compromise on the Conservation Reserve Program that would increase the acreage cap from 24 to 27 million acres but reduce payment rates to 90% of the market rate. The House is expected to take the compromise bill up for a vote next week and the Senate will subsequently follow later next week or the following.

Lands Package

The House Committee on Natural Resources and the Senate Energy and Natural Resources Committee have been quietly working on a 'Lands Package' that includes many small land transfer bills and other non-controversial public lands measures. Expected to be included in the bill is permanent reauthorization of the Land and Water Conservation Fund; however, mandatory funding for the program will not be included. This package will likely be included in an end of the year spending bill.

Water Resources

U.S. Senator Dianne Feinstein (D-CA) and House Republican Leader Kevin McCarthy (R-CA) are offering an amendment to an end-of-year spending package that would provide a seven-year extension of measures offered in the 2016 WIIN Act. The WIIN Act authorized hundreds of millions of dollars for new water storage and desalination projects throughout California.

Nominations

Mr. Bernard McNamee has been nominated by President Trump and confirmed by the U.S. Senate to serve on the Federal Energy Regulatory Commission. Many democrats opposed his nomination because of his support for ailing nuclear and coal fired power plants and his opposition to renewable energy alternatives.

Other News

White House Climate Report

The White House recently released the Fourth National Climate Assessment compiled by scholars and scientists from 13 federal agencies across the federal government. President Trump has stated that he does not believe this report is founded in fact and is based on the 'most extreme' scenario. The 1,700-page report explores a wide range of scenarios and predicts tens of billions of dollars in damages, a rise in deadly heat waves and coastal communities increasingly threatened by rising sea levels if nothing is done to stem planet-warming emissions. A copy of the entire Fourth National Climate Assessment, as well as summary findings, can be accessed on-line at the following website https://nca2018.globalchange.gov/.

Christopher Harris Executive Director December 10, 2018